Relocating San Francisco's

WHOLESALE PRODUCE MARKET

August, 1953

San Francisco Department of City Planning
100 Larkin Street San Francisco, California

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This report was prepared by Frank Lombardi and Marie Carlberg

August, 1953

THE COMMISSION DISTRICT

A part of San Francisco that was neglected as the city grew into the "Capital of the West." Crowded in several blocks just northeast of the financial district, the wholesale produce market occupies obsolete buildings on narrow streets poorly adapted to modern truck operations. The area is suited better to the expansion of the financial and business district.

CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF CITY PLANNING
100 LARKIN STREET • CIVIC CENTER • SAN FRANCISCO 2, CALIFORNIA

August 20, 1953

Mr. Ernest E. Williams, President
San Francisco City Planning Commission
100 Larkin Street
San Francisco 2, Calif.

Dear Mr. Williams:

I am pleased to transmit to you this report entitled "Relocating San Francisco's Wholesale Produce Market" which has been prepared at the request of the Commercial and Industrial Development Committee of the Board of Supervisors.

The present produce market does not meet modern standards of efficient food handling and the site it occupies is suited better to other uses. An analysis of five possible sites for a new market has been made. In addition, information on the necessary organization for a new market is presented.

The accomplishment of this civic improvement will require the coordinated action of many people. The methods for bringing this project into being are submitted in this report.

The initiative for proceeding with the steps required for achieving a new market rests properly in the hands of the business community and especially the produce industry which is most affected.

Yours truly,

Paul Oppermann

Paul Oppermann
Director of Planning

C O N T E N T S

P L A T E S

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

1. New wholesale produce market needed at new location: The present market is inadequate and inefficient because of lack of space and lack of modern facilities, which results in congestion and high handling costs. The provision of a new wholesale produce market at a suitable location is in the public interest, because more efficient and economical handling in the distribution of fresh fruits and vegetables will benefit consumers, growers, transportation agencies, the produce trade and retailers.

2. Re-use of present market area: The present market area will be much more valuable, both to the owners and to the city, when put to other uses.

RECOMMENDATIONS

1. Site selection and acquisition: The new site for the market should be on the level land on the southeastern edge of the city, accessible to trafficways and rail transportation, and should contain 25 to 30 acres. Any one of the sites analyzed in this report would be satisfactory if the problems involved are dealt with properly. For the five sites see Location Map, Plate 5 and Plates 6, 7, 8, 9 and 10 for details on each. The organization formed to build the market should proceed with acquisition of a site as soon as possible.

2. Organization: A market authority or a corporation, preferably non-profit, should be formed to secure financing, acquire a site, and build and manage the new facilities. The produce trade, through the Wholesale Fruit and Produce Dealers Association, should decide the best manner of proceeding. If no progress is made, market authority legislation should be introduced at the next session of the state legislature.

3. Temporary war housing: If the South Basin site, for example, is selected, the produce dealers should make their interest known to the Mayor's committee on the disposition of temporary war housing. Subsequently, the Board of Supervisors should be asked to take steps to acquire the project, in order to make the site available at low cost.

4. Planning the new market: The Marketing and Facilities Research Branch of the Production and Marketing Administration, U. S. Department of Agriculture, should be consulted in the actual planning of the new market facilities.

5. Further study of present market area: The entire downtown area, as well as the commission district, requires detailed study and analysis in order to determine the best future uses for the present market area. Owners and businessmen in the commission district should form an association to assist the Department of City Planning in additional studies and surveys of the area and to further desirable new uses.

I. PURPOSE AND FUNCTION OF THE WHOLESALE PRODUCE MARKET

The distribution of fresh fruits and vegetables is part of the world's biggest business--the production and marketing of food. Fresh fruits and vegetables are an essential part of the American diet. According to the U. S. Department of Agriculture, $1 of each $5 spent for food by civilian consumers in the United States is used to buy fruits and vegetables.

San Francisco's wholesale produce market is located between the financial district and The Embarcadero: Washington Street from Drumm Street to Front Street is the heart of the district. Through this small area, consisting of approximately 5.5 acres of store space and 3 acres of streets and sidewalks, fresh fruits and vegetables are distributed to retail groceries and restaurants in San Francisco, on the Peninsula as far south as Palo Alto, and in Marin and Sonoma counties, which together contain a population of one and a third million people.

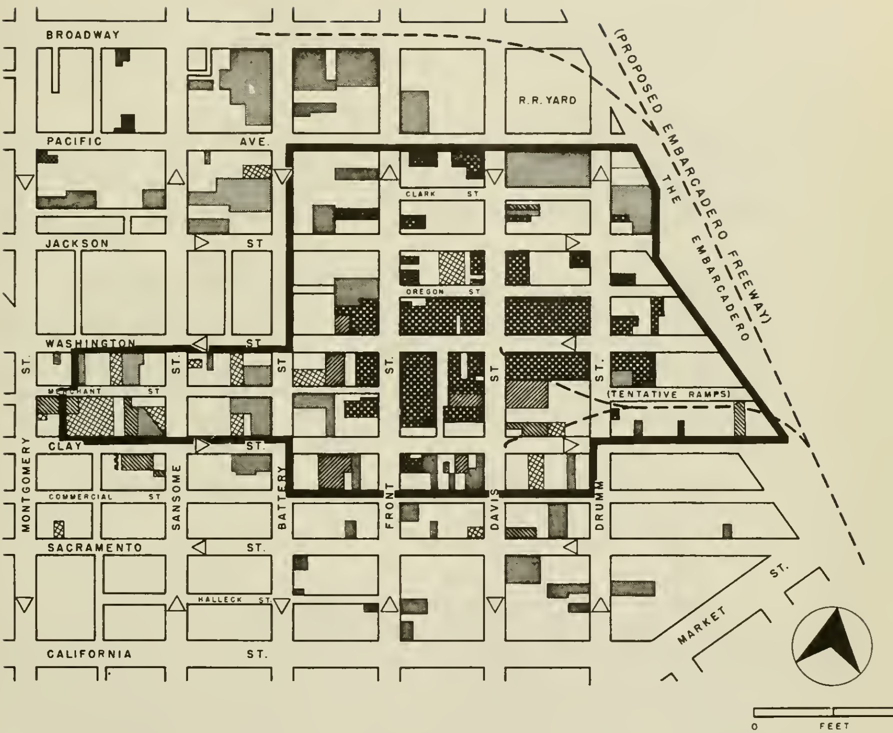
This is the market place where an average of 23,000 carloads of fresh fruits and vegetables worth forty million dollars is annually transferred from the producers to the retailers through the medium of the commission and wholesale houses. Physically, the market consists of old brick buildings built shortly after the fire, only the ground floors of which are used by the produce trade; canopied sidewalks where the produce is unloaded; and narrow, rough public streets. There are 74 produce dealers doing business in the market, as well as a number of brokers.

The wholesale produce trade operates in the early morning hours. Market selling hours start at 6 a. m. in the winter and 5 a. m. in summer. Retailers generally go to the market in person with their trucks or cars to make their purchases, arriving at the opening hour or shortly thereafter. Most purchases are completed by 9 a. m.

Trucks bring in 81% of the loads. The 13% which comes by train, and the 6% by boat, cannot be unloaded directly at the wholesalers' stores but must also be hauled to the market by truck from railroad yards or piers a few blocks away. Incoming loads may arrive at any time of the day or night, even during marketing hours, but the over-the-road trucks arrive mostly between midnight and 5 a. m.

The area around the produce stores, between Pacific Avenue and Sacramento Street, Battery Street and The Embarcadero, is generally referred to as the commission district. It is a great unorganized food terminal. Here are numerous food dealers; wholesale grocers, coffee and spice dealers, sellers of dairy products, fish stores, poultry stores, sausage makers, meat wholesalers.

Since nowadays these other wholesalers deliver to the retailers, and retailers go to market only for their fruits and vegetables, there is no compelling need for them to be located together. In common with the produce market, however, they do need facilities for trucks and a good location in respect to reaching their customers. If a new and essentially different use is proposed and accepted for the present produce market area, it may be necessary to relocate a number of these other food distributors at the same time as the produce market is moved.



WHOLESALE PRODUCE MARKET STUDY

PRESENT MARKET

PRODUCE DEALER

FISH AND SEAFOOD

POULTRY

MEAT AND SAUSAGE

OTHER FOOD AND LIQUOR

AREA BOUNDARY

PLATE I

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

II. INADEQUACY OF THE PRESENT MARKET

The present wholesale produce market is inadequate and has been so for many years. Lack of space and lack of modern facilities are its chief shortcomings as a market; these result in high handling costs and loss of time. In addition, the produce market where it stands now is considered, by many persons, an inappropriate use of valuable land. This part of the problem is discussed further in Section VI, "Alternate Uses for Present Market Area."

The inadequacy and inefficiency of the present market has been described more fully in a joint report by the U. S. Department of Agriculture, Bureau of Agricultural Economics, and the University of California, Agricultural Experiment Station, published in 1943, entitled Improving the San Francisco Wholesale Fruit and Vegetable Market.

Conditions as then reported are still the same: narrow streets, inadequate off-street parking areas, traffic congestion, no truck loading platforms or up-to-date handling equipment, no direct rail connections, all transfer of goods from store to truck done by porters with hand trucks, piling of produce on the streets and sidewalks, unsanitary conditions, lack of proper facilities for storage of food held over from one day to the next--in short, inefficient, slow and costly handling methods.

Comments on three of these conditions illustrate their seriousness:

1. Congestion

The 1943 report analyzes the traffic situation in detail. and the same type of congestion still exists. Counts were made then of all vehicles in the market area at half-hour intervals from 4 to 9:30 a. m. At the peak around 7 a. m. there were over 600 vehicles in the area between Battery, Jackson, The Embarcadero, and Clay Streets--passenger automobiles, incoming trucks, buyers' trucks and cars, trucks owned by market dealers or drayage companies serving produce dealers, and trucks owned by non-fruit and vegetable firms located in the market area. In addition to all of these parked vehicles, ordinary traffic passes through the area.

Traffic congestion in the produce market is costly in many ways. There are high handling costs, since porters must haul purchases from the store by hand truck to wherever the customer's truck may be parked. There is the loss of time to the retailers. There is the excessive handling of tender fruits and vegetables which contributes to spoilage.

2. High Handling Costs

Handling costs in Oakland and San Francisco wholesale produce markets and at chain store warehouses are analyzed and compared in detail in a recent study, Transportation and Handling Costs of Selected Fresh Fruits and Vegetables in the San Francisco Bay Terminal Market Area, by the Stanford Research Institute under contract to the U. S. Department of Agriculture, May 1952.

These handling costs are computed: unloading direct truck receipts; demurrage and drayage from team tracks to wholesale dealers' sidewalks and unloading; and storage costs. Handling costs were found to be lower in Oakland, because of lower wage rates, more favorable physical market conditions, and fewer handlings of commodities.

Handling costs were lower at the chain store warehouse than at either the Oakland or the San Francisco market. The report found that although handling operations of wholesale dealers may necessarily be more costly than those of a retail chain organization (since there is a high, relatively short, peak period of handling activity when retail buyers are in the wholesale market, commodities must be displayed and retailers served and bargained with, and a large number of relatively small purchases delivered to trucks), undoubtedly handling costs among wholesale dealers in each market could be reduced if their stores were more like the retail chain warehouse in layout and facilities.

Although the Stanford Research Institute report was a study of handling costs, not a study of the need for a new market, nonetheless this conclusion was reached: "To provide wholesale dealers with stores having physical facilities comparable to those at the retail chain warehouse would require the construction of a new wholesale market in each city."

3. Lack of Direct Rail Connections

There are no direct rail spurs in the present market. The nearest railroad yards are two blocks from Washington Street. Rail cars must be unloaded at these or other yards near the market and the contents delivered to the market by truck, mostly by for-hire drayage companies, although several produce dealers have their own trucks for this purpose. One of the objectives in building a new market is to provide direct rail connections to the stores in order to reduce handling costs.

Trends in Volume of Business

Since the 1943 Department of Agriculture report on the San Francisco market was published, although market conditions have remained the same, other conditions have changed. Suitable sites

within the city for a new market are becoming less and less available. The rapid population growth of the area served by the San Francisco produce market has not been matched by a corresponding growth in market business. (See Plate 3.)

The Annual Summary of Unloads of Fruits and Vegetables for San Francisco, 1952, issued cooperatively by the U. S. Department of Agriculture, Production and Marketing Administration, Fruit and Vegetable Branch, and the California Department of Agriculture, Bureau of Market News, gives the following description of trends in the produce business from 1931 to 1952:

> The total volume of unloads of all fresh fruits and vegetables at San Francisco has shown an unusually small variation during the 22 years for which records are available. The heaviest year was 1931, the first year in which combined rail, express, boat, air, and truck receipts were reported, when the total was 25,310 cars. The low of 21,514 cars occurred in 1949.
>
> Except for 1949 and 1950, the 1952 unloads were lightest during the 22-year period. This has occurred despite an increase of about 22% in the city's population. Two reasons appear to account for the failure of the fresh fruit and vegetable volume to keep pace with the growth in population. One of these was the loss of business from Oakland and the other East Bay cities. In the early 1930s, East Bay buyers purchased considerable quantities on the San Francisco market but during the late 1930s and the early 1940s this practice was gradually discontinued in favor of buying locally on the Oakland market. During the past several years, relatively small quantities of produce have gone from the San Francisco market into the East Bay area.
>
> The other reason has been the change in consumer preferences and practices.... With a few exceptions, items which are readily available to consumers in convenient processed form have shown the sharpest decline. Peas, lima beans, asparagus, spinach, and cranberries have all fallen off steadily. Oranges, after reaching a record high of 2,408 cars in 1946, declined very sharply to 1,203 cars in 1952, as frozen concentrated orange juice came into sudden popularity. The decline in volume of potatoes and some of the root crops as rutabagas, parsnips, and turnips has come about more from a substitution of other foods in the diet than from increased use of the same items in processed form....

UNLOADS OF FRESH FRUITS AND VEGETABLES AT SAN FRANCISCO

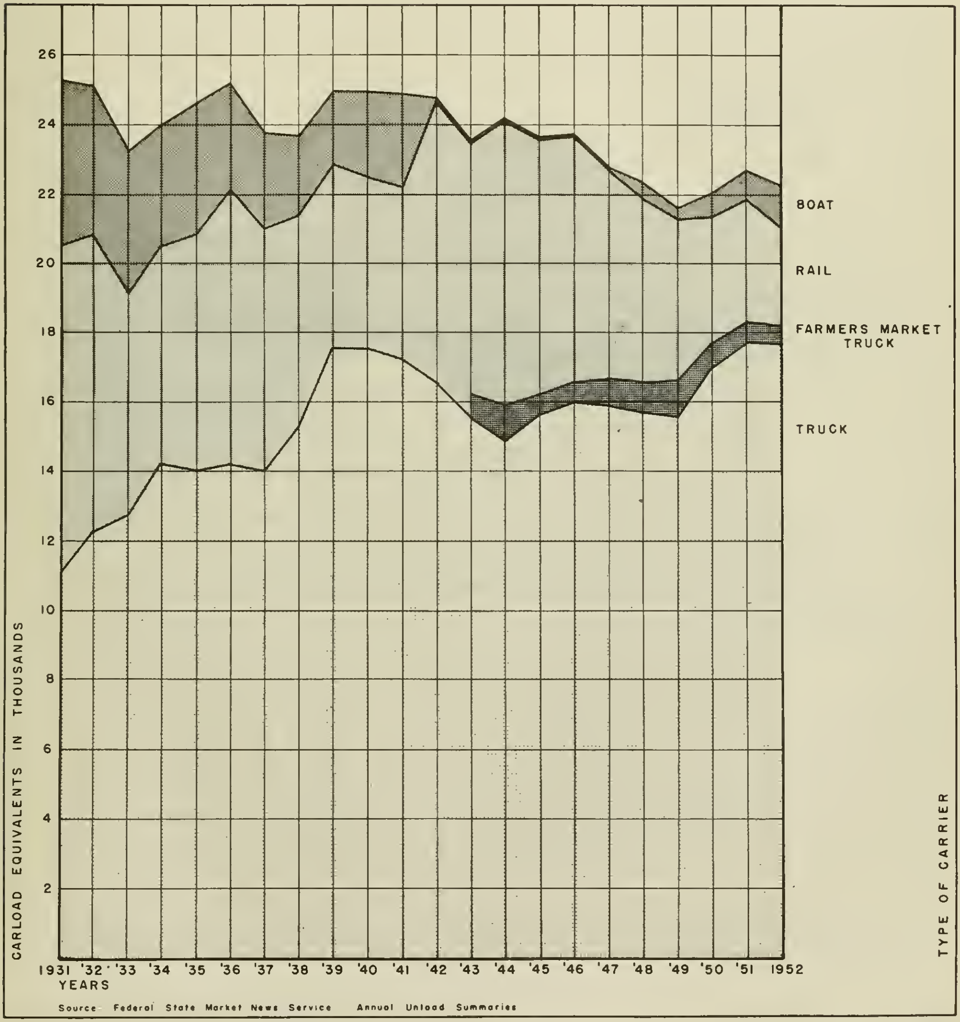
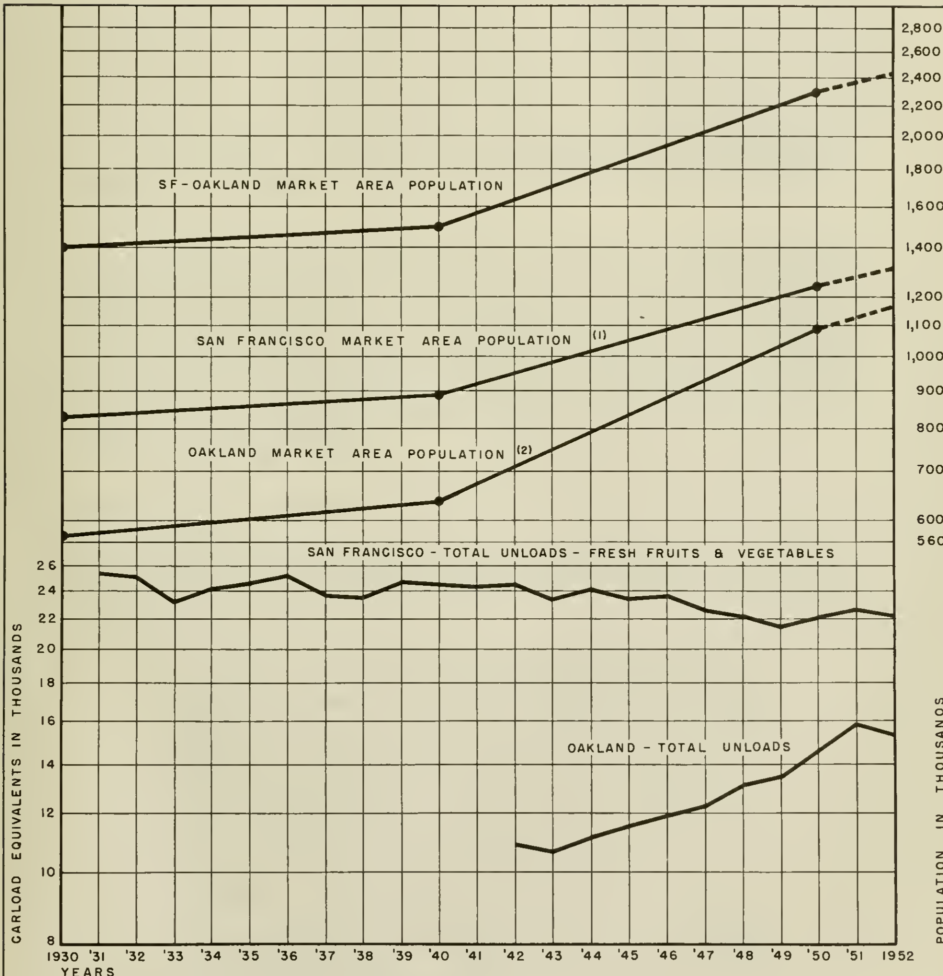


PLATE **2**

POPULATION GROWTH AND MARKET ACTIVITY



(1) San Francisco, San Mateo, Marin, Sonoma counties & 1/2 of Solano county
(2) Alameda, Contra Costa counties & 1/2 of Solano county.

PLATE **3**

> A number of fruits and vegetables, mostly those which are not available in processed form, have shown steady increases in volume during the period. Among these are several of the leafy green vegetables which have become increasingly popular in the diet, such as lettuce, romaine, endive, escarole, and greens, as well as cucumbers.

The new and rapidly growing frozen food industry is providing competition for the fresh fruit and vegetable business. In 1951, California was producing 24% of the U. S. production of frozen fruits and vegetables. Figures on consumption of frozen fruits and vegetables are not available for the Bay Area, but for the nation, apparent civilian consumption of frozen fruits has jumped from 2.3 pounds per capita in 1945 to 8.4 pounds in 1950, of frozen vegetables from 1.9 to 3.3 pounds. (Figures from An Examination of California's Frozen Food Industry, by the California State Chamber of Commerce, 1952.)

Plates 2 and 3 following page 6 and the figures quoted in Appendix I show the decline in volume of produce handled by the San Francisco market over the period of years for which figures are available. In the ten years since the publication of the Department of Agriculture's report, carloads of produce handled have decreased 10%. Produce distributed through chain store warehouses is included in these yearly volume figures even though it does not move through the Washington Street market. Farmers' Market receipts are also included.

Benefits of a New Market

The following paragraph from a report of the U. S. Department of Agriculture summarizes the widespread benefits from adequate market facilities thus:

> The provision of proper marketing facilities for handling farm and food products results in increased income to farmers, facilitates the obtaining of supplies by retailers, reduces the cost of operation of other middlemen, and places a greater variety of products in the hands of consumers in better condition and at lower prices. Since properly planned facilities have direct rail connections, wide streets, and parking areas, their construction is also beneficial to transportation agencies. The elimination of handling and provisions for necessary refrigeration reduce spoilage and deterioration of products as they flow through the marketing channel. Thus, many groups are interested in improving marketing facilities.

Other groups besides the wholesale merchants are aware of the problems resulting from the present market's poor location, lack of space and lack of facilities. Growers know that the wholesale market here is inadequate. "Lodi Speaks Up," for example, a May 1953 report by the San Francisco Chamber of Commerce Domestic Trade Department, contains complaints from farmers in the Delta region that the San Francisco market is wholly inadequate and that a more efficient market would lower farmers' costs.

The produce dealers have been aware for a number of years of the need to move to a new and adequate market. A complicating factor is that the dealers must be united in the move. The entire selection of produce for each day should be offered to retailers at one location so that supply and demand can work effectively to establish prices. A split market, with some dealers in one part of the city and some in another, results in an unsatisfactory pricing situation.

III. REQUIREMENTS FOR A NEW SITE AND NEW MARKET FACILITIES

The most important qualifications for a new site for the produce market are:

1. Accessibility to incoming and outgoing transportation.
2. Convenience to buyers.
3. Comparatively level ground.
4. Sufficient area at reasonable cost.

1. Accessibility to Incoming and Outgoing Transportation

Motor truck transportation is now the major means of bringing in produce, although transportation by rail is still important for certain commodities such as onions and potatoes. Boat unloads constitute only a small percentage of total market receipts and consist almost wholly of tropical fruits.

Most of the incoming truckloads come from the south and east. The Bayshore Freeway, under construction, and Third Street are the major truck routes into the city from the south. The Hunters Point Expressway will be an additional low level route into the city from the south. With the construction of a southern Bay crossing, the southeastern industrial area of the city, where all of the proposed market sites are located, will have improved truck access from the East Bay and the San Joaquin valley.

The level easterly section of the city along the Bay shore in which the wholesale and industrial activities of the city are concentrated and the northeastern portion of The Embarcadero are the only parts of San Francisco served by rail transportation. Three rail lines serve the city: Southern Pacific directly from the south; Western Pacific by barge to a freight slip at the foot of 25th Street; and Santa Fe by barge to a freight slip at the China Basin yard.

All of the proposed sites have direct rail connections with at least one of these railroads, except for the Arthur Avenue site which is within a block of the Belt Line, the terminal railroad operated by the Board of State Harbor Commissioners. Ideally a produce market should have rail connections open to all railroads on equal terms. At the sites where only one or two railroads have access, arrangements should be made for joint use of tracks by all railroads.

Boat receipts are relatively small and are hauled to market by truck from the boat. The entire Embarcadero and all of the sites considered are within Zone 1, established by the City Carriers' Tariff No. 1-A issued by the State Public Utilities Commission for

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drayage rates, so that all of the sites are equal with regard to hauling from the piers.

Some of the produce stores specialize in supplying steamships. From their standpoint, one of the sites close to The Embarcadero might be preferable, but the waterfront piers could be reached in only a few minutes' more time from a location farther south.

2. Convenience to Buyers

Ideally, the new market should be located as conveniently as possible to the greatest number of buyers. The more northerly sites would be closer to more buyers within the city, and the more southerly sites more convenient for buyers from the Peninsula and the southern neighborhoods of the city. Howerver, distance can be compensated for by a good location in respect to traffic and trafficways. As San Francisco's Trafficways Plan is carried out, access will be improved from all of the sites considered here to all parts of the city. All of the sites are within two blocks of Third Street, a principal north-south lateral.

3. Comparatively Level Ground

All of the sites considered in this report are about equal in this respect, being located on the southeastern edge of the city on level land zoned for industry. The site at Third and Army Streets is the only one with any appreciable slope.

4. Sufficient Area at Reasonable Cost

The 1943 report of the Department of Agriculture recommended a minimum 15-acre site, based on the volume of market business at the time. Although market business has declined since that time, a 25- to 30-acre site is recommended because of (1) the need for expansion space for the produce stores, in view of the decision to build a southern crossing which will make a market near such a crossing easily accessible to the East Bay, and (2) the desirability of providing space for possible relocation of other food dealers from the commission district. Later on, after the market is built, it would be much more costly to acquire space for expansion.

All sites considered are either presently vacant, in predominantly open use, or occupied by temporary war housing. No heavily built-up site is recommended because of the additional cost of acquiring buildings.

Assessed values, given in the next section, will provide some key to relative values of the various sites. However, assessments are only one factor to be taken into consideration in estimating acquisition costs.

General Description of New Market Facilities

Plate 4, Suggested Layout for New Market, illustrates the general arrangement of facilities in a new market on a 25-acre site. The checklist on page 12 itemizes the main features of a new market for San Francisco.

The new markets which have been built in other cities and the new markets recommended by the Department of Agriculture consist of these essentials: two long shedlike buildings facing each other and subdivided into individual stores, with tracks at the rear, and surrounded by a fenced-in paved area.

Each building has a rear rail platform, with two tracks alongside, and a front platform at truck loading level. Both front and rear platforms are covered. A wide street separates the two structures, wide enough for 40-foot trucks to back up at the platforms on each side, but not so wide as to make it inconvenient for retailers to cross back and forth in their shopping. There is ample parking space distributed at various points throughout the market.

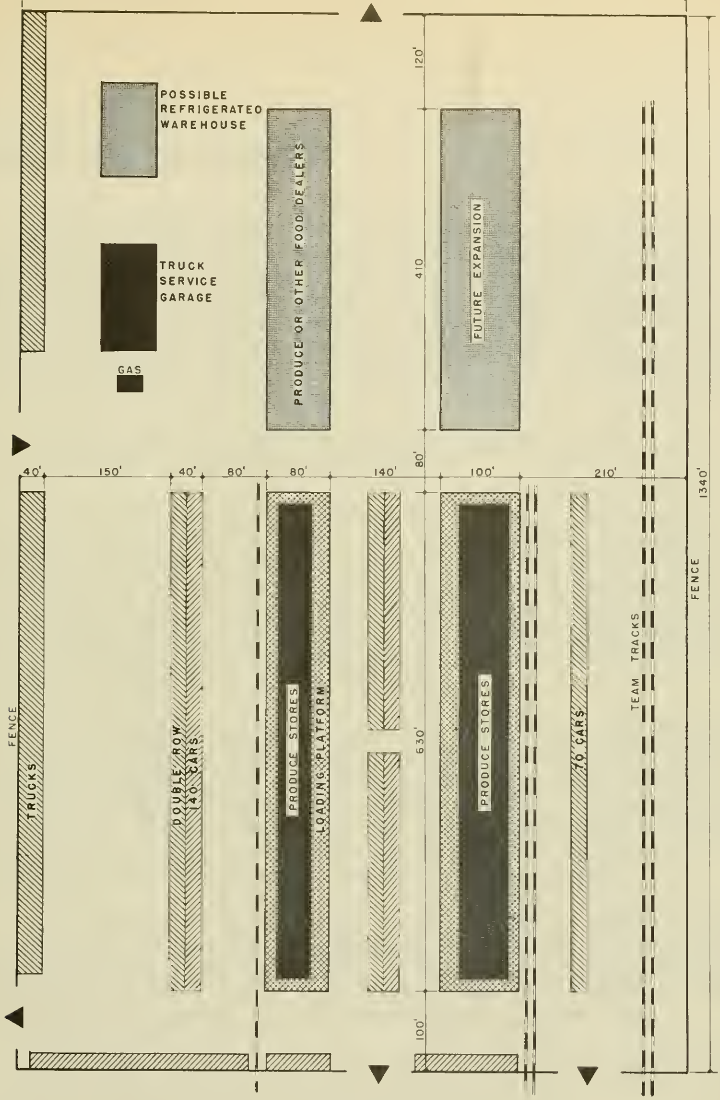
Offices can be provided in a second story built above one of the produce sheds, and a restaurant can occupy a store unit. A truck service garage and filling station should be located either within the market or nearby. There should be space available for other facilities as may be found necessary.

Wide market streets and adequate truck parking and loading space might encourage the development of the market as a truck assembly point, where incoming trucks from the producing areas of California and out of state reload with mixed produce for the return trip.

The question of rail facilities for the San Francisco market is one on which the Marketing and Facilities Research Branch of the Production and Marketing Administration, U. S. Department of Agriculture, might well be asked for further advice. One of the prime reasons for rebuilding markets in other cities has been to provide direct rail facilities. Yet truck transportation has absorbed so much (81%) of the shipments that the question arises whether tracks need to be provided at the rear of both rows of sheds. On the one hand, rail shipments have declined partly because of the inconvenience, cost, and waste of time in switching the cars to yards near the market, then hauling the loads to market by truck for the remaining distance anyway. Perhaps when the new market is constructed with direct rail connections, the railroads might again bring in a large proportion of the loads. On the other hand, the trend toward increasing truck transportation (see Plate 2 following page 3) is well established.

CHECKLIST FOR LAYOUT OF FACILITIES IN NEW MARKET

Size	25-30 acres
Platform Stores	One structure 80' x 630' including platforms. One structure 100' x 630' including platforms.
Spur Tracks	Double spur tracks ("house tracks") at rear of prdduce stores. Team tracks for inspection, unloading directly to buyers' trucks, or holding cars to be unloaded in next non-market period.
Market Streets	Center street between sheds 140' wide. Other streets 70' wide.
Parking	600-700 parking spaces total, including: Spaces at platforms. Spaces dispersed around market for buyers' vehicles. Spaces for market employees. Spaces for large trucks which arrive with incoming loads during market hours. (These could be combined with rail unloading spaces.)
Offices	For the market management, brokers, railroad agents, and state and federal departments concerned with fresh fruit and vegetable marketing. Offices can be in second story above one of the store buildings.
Restaurant	One or more restaurants to occupy store units in sheds.
Facilities Related to Market	Truck repair garage and gas station. Refrigerated warehouse. Space for other food dealers as they indicate need. Other allied industries (e.g., drayage firm).
Fence	Completely surrounding market.
Gates	Main entrance for incoming loads. Ample exits to facilitate outgoing traffic.



WHOLESALE PRODUCE MARKET STUDY

SUGGESTED LAYOUT FOR NEW MARKET

IMMEDIATE CONSTRUCTION

FUTURE EXPANSION

PARKING

0 SCALE IN FEET 200

AREA OF SUGGESTED LAYOUT
APPROXIMATELY 25 ACRES

PLATE **4**

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

IV. ANALYSIS OF SITES FOR RELOCATION

With the requirements for a site in mind, a survey of the easterly section of the city, defined in the Land Use Section of the Master Plan as the working area, has been made in an effort to find and report upon sites on which the produce market could be relocated. On the following pages are data and maps for five sites which were given detailed study: Sixth and Channel, Third and Army, Islais Creek, Arthur Avenue, and South Basin. The data sheets point out the various problems involved in each case.

The Location Map, Plate 5 following page 14, shows the five sites in relation to the Trafficways Plan.

Three other sites were studied and discarded from further consideration for various reasons: one, recommended by the Department of City Planning in 1945, in the vicinity of Division and De Haro Streets, has an excellent location but is now heavily built with industries; one on Bayshore Boulevard near Apparel City, which is being developed for warehouse uses; and one on Alemany Boulevard, now occupied by Navy housing, which has no rail access and which is immediately adjacent to a residential area.

In addition to the sites mentioned here, there are other possibilities: a tidelands site adjacent to the proposed southern crossing, other tidelands sites, or a site south of the city. There is also a possibility that the Oakland market may be relocated and rebuilt. If it is rebuilt before the San Francisco market, at a good location and with efficient facilities, it would be attractive to many retailers who now patronize the San Francisco market.

On whichever side of the Bay a new, efficient market is first built, if it can be reached by relatively uncongested routes, it will attract business from the other side of the Bay. Longer driving distances are compensated for by fast highways and by a market in which the retailer can transact his business without loss of time.

All of the sites discussed in this report are south of Market Street. All are about equal as far as the need for piling, since they are all on former swamp land or on filled ground.

Cost of Land and Facilities

The greatest difference among the sites is cost of acquisition. Several of the sites might well cost as much as $2,000,000. The cost of a site can be known definitely only through actual negotiations for purchase. The assessed values quoted on the following data sheets may give some indication of the relative costs of the

various sites; however, there are special factors involved in almost every site. It is assumed that interior streets in any of the sites would be closed by the city.

It is estimated that produce sheds of single story, steel frame concrete construction with piles under the foundations, some space for mezzanine offices, platforms, railroad tracks within the market, paving, fencing, architects' and engineers' fees and contingencies will cost about $1,500,000. This estimate is for the facilities required immediately in a new market.

WHOLESALE PRODUCE MARKET STUDY

LOCATION MAP

PRESENT MARKET AREA

SITE UNDER STUDY

PLATE **5**

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

SIXTH AND CHANNEL SITE

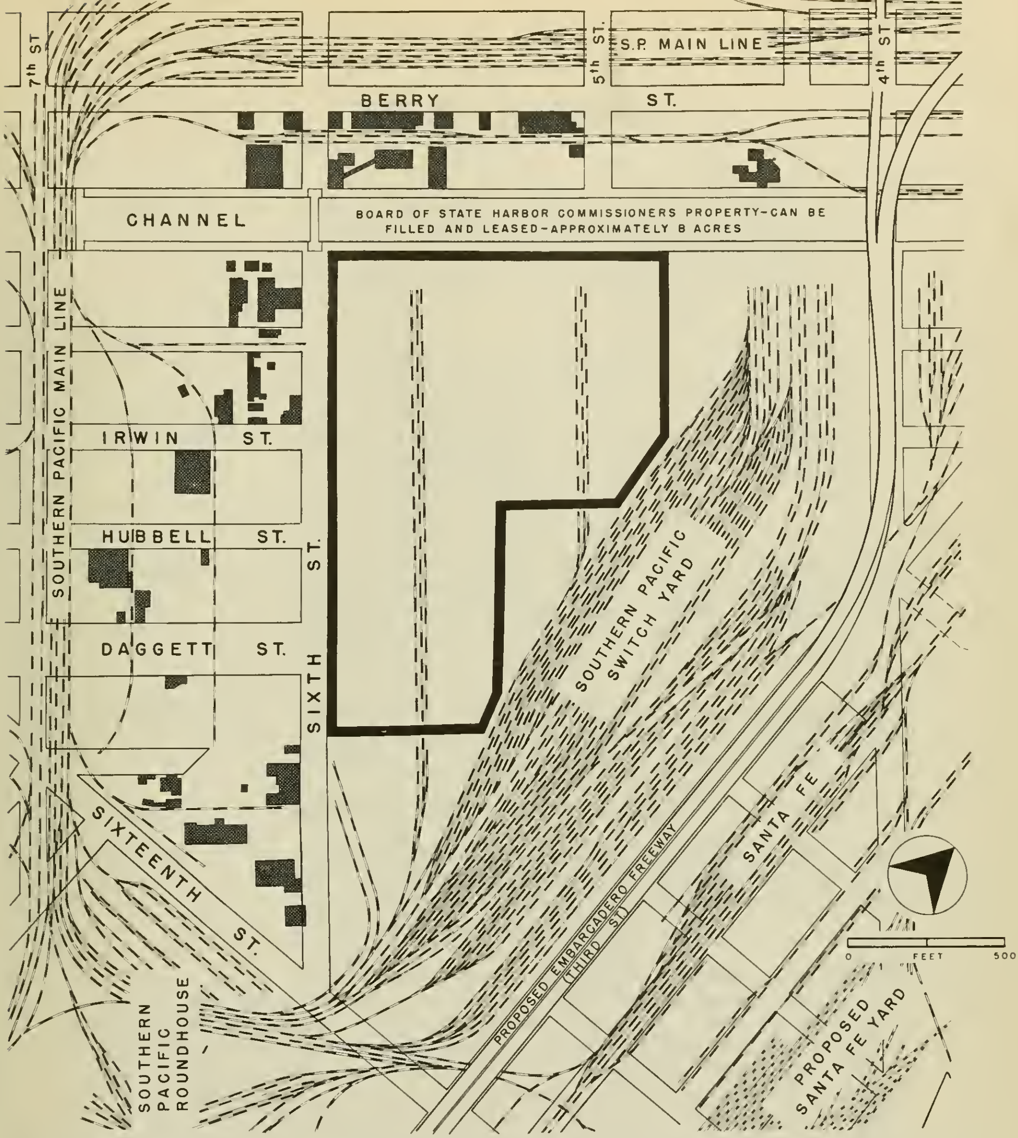
(see Plate 6)

Location	East of Sixth Street, south of Channel, and west of Southern Pacific Mission Bay yards.
Size	29.1 acres
Assessed value	Land only: $154,000 (proportional to assess- for entire block). Per acre: $5,300
Ownership	Southern Pacific Railroad Company.
Present use	Vacant. Formerly occupied by U. S. Government warehouses.
Access	This area is surrounded by railroad tracks, including the S. P. main line and switching tracks to the roundhouse. Since market selling is carried on in the early morning hours, commuter trains along Seventh Street would hinder traffic leaving the area for the residential areas to the west. More roundabout access could be arranged via Third, Fourth and Berry Streets. Expensive overpasses would probably be required.
Comments	This site has some considerable advantages, and several disadvantages which, however, could be overcome.

The size of the area is ample. There would be no expense for acquiring and demolishing existing buildings. Negotiations for purchase or lease would be simplified since the area is in one ownership. The Southern Pacific yards adjacent to the site could provide ready-made switching tracks for the market. Aside from the access problem brought about by the fact that the site is ringed by railroad tracks, the location is excellent. Of the five sites, it is the most centrally located to the city's residential population and to the restaurant area.

The access problem could be solved by a combination of traffic controls, routing, and construction of underpasses or overpasses. Piling would probably be required on this site since it is filled land--it was part of Mission Bay in San Francisco's early days. Since only one of the three railroads coming into San Francisco has access to this site, it would be desirable to have arrangements made for joint use of tracks by the other roads.

Channel Street, 200 feet wide from Seventh to Fourth Street, is under the jurisdiction of the Board of State Harbor Commissioners and could be filled and leased. This would provide room for an access street off of Fourth Street.



WHOLESALE PRODUCE MARKET STUDY

SIXTH AND CHANNEL SITE

INDUSTRIAL BUILDING

SITE BOUNDARY

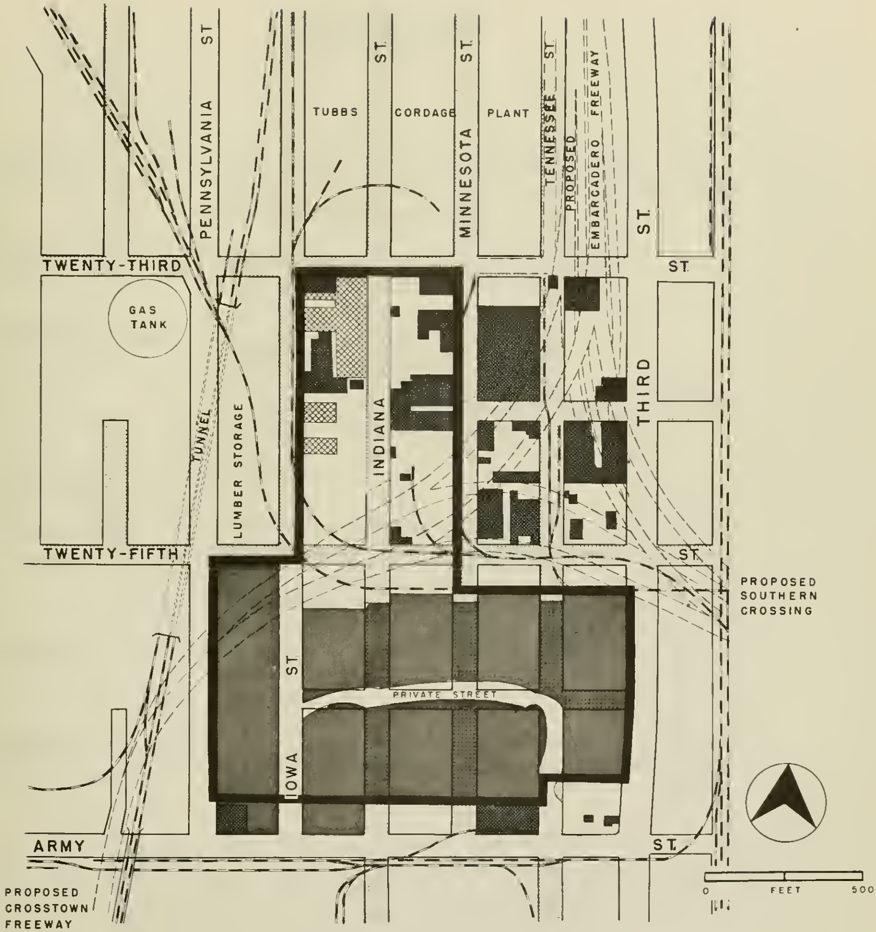
PLATE 6

THIRD AND ARMY STREET SITE
(see Plate 7)

Location	Most of the site occupied by Channel War Dwellings (between Pennsylvania, 25th Street, Third and Army Street) plus the two blocks bounded by Iowa, 23rd, Minnesota and 25th Streets.
Size	23.2 acres 31.4 acres including streets
Assessed value	Land \$358,600 Buildings 37,000 (war housing not assessed) \$395,600 Per acre, including streets: \$12,600
Ownership	27 owners. The major owners are the Western Pacific Railroad Company with about 10 acres, and Salco Iron and Metal Company with about 5 acres. Sixteen individuals own a total of one acre with private dwellings.
Present use	Scrap metal yards, inferior private housing, smelting plant, two small factories, and temporary war housing.
Access	Good access from Third Street or Army Street.
Comments	This site has the advantages of being fairly central and of having good access to trafficways. It also could have rail connections with all three of the roads entering San Francisco.

The Western Pacific Railroad has planned to develop its property at this location for a warehouse and industrial district. This site is also the proposed location of a traffic interchange between the Crosstown and Embarcadero Freeways and the southern crossing of the Bay, for which an approximate arrangement is shown on Plate 7. Off- and on-ramps are not shown, however, Traffic coming in to the market from the south on the Crosstown Freeway would leave the freeway at Army Street. Off- and on-ramps for the Embarcadero Freeway would join Third Street in the vicinity of the market, probably between 24th and 25th Streets. If Army Street becomes the western terminus for the southern crossing, this market location will be extremely convenient to the East Bay. There would also be a freeway connection between the southern crossing and the Bayshore Freeway.

The temporary housing at this location is in a good state of repair and has a useful life of several years. Since temporary war housing is a "blighted area" according to the California Community Redevelopment Law, redevelopment powers might be used to acquire this site.



WHOLESALE PRODUCE MARKET STUDY

THIRD AND ARMY SITE

PRIVATE RESIDENCES

TEMPORARY WAR HOUSING

INDUSTRIAL BUILDING

SITE BOUNDARY

UNIMPROVED STREET

PLATE 7

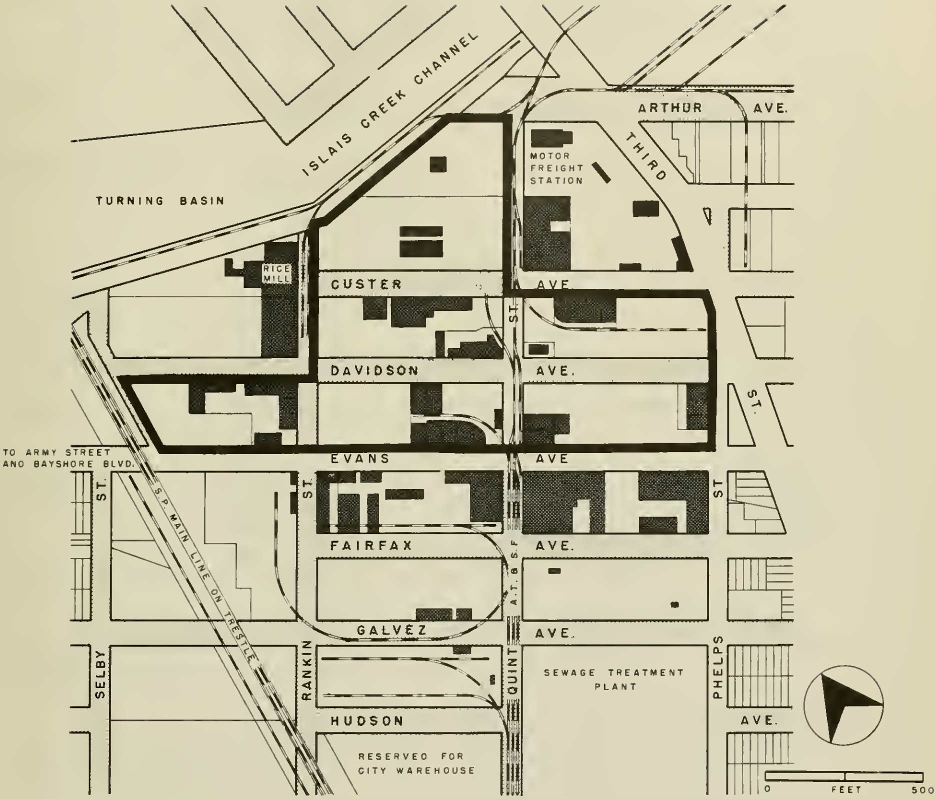
SAN FRANCISCO DEPARTMENT OF CITY PLANNING

ISLAIS CREEK SITE
(see Plate 8)

Location	South of Islais Creek to Evans Avenue and from Third Street to Rankin Street and the Southern Pacific tracks.
Size	18.4 acres 22.7 acres including streets
Assessed value	Land $274,060 Buildings 126,150 $400,210 Per acre, including streets: $17,700
Ownership	10 owners.
Present use	Open uses--lumber, construction, and scrap metal yards. Structural uses--planing mills, warehouses.
Access	From Third Street or from Army Street via Evans Avenue.
Comments	This site has much to recommend it, and one serious disadvantage--probable high acquisition cost.

The location is good, there is access to two of the rail lines on Quint Street and to the Belt Line, and there is an area of approximately the same size south of Evans Avenue which could accommodate other food and related industries. The area north of Evans Avenue is now in predominantly open use (14 of the 18 acres), but is being developed.

If this site is decided upon, action should be taken soon before further investments are made in new industrial developments.



WHOLESALE PRODUCE MARKET STUDY

ISLAIS CREEK SITE

INDUSTRIAL BUILDING

SITE BOUNDARY

UNIMPROVED STREET

PLATE **8**

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

ARTHUR AVENUE SITE
(see Plate 9)

Location	Bounded by Arthur Avenue, Jennings Street, Davidson Avenue, Lane Street, Custer Avenue and Mendell Street.
Size	23.0 acres 29.3 acres including street area
Assessed value	Land $58,860 Buildings 7,050 $65,910 Per acre, including streets: $2,245
Ownership	34 different owners.
Present use	Dumps; land still being filled.
Access	Two blocks to Third Street via Evans Avenue.

Comments Although the assessed valuation is probably not a true measure of the cost of this site, the land should be considerably cheaper than several of the other sites. However, it consists of uncompacted fill, so the expense of piling and preparing the land should be added.

The main disadvantage of a market on this site, however, is that it is in the lee of the stockyards. A definite and strong stockyard odor is usually present at this site.

An area ample for a produce market also exists in the yet unfilled tidelands, north of Arthur Avenue, under the jurisdiction of the Board of State Harbor Commissioners. It would take time to fill this land. The Board of State Harbor Commissioners could lease such a site for 25 years, after which the improvements would revert to the Board. The lease would be renewable.

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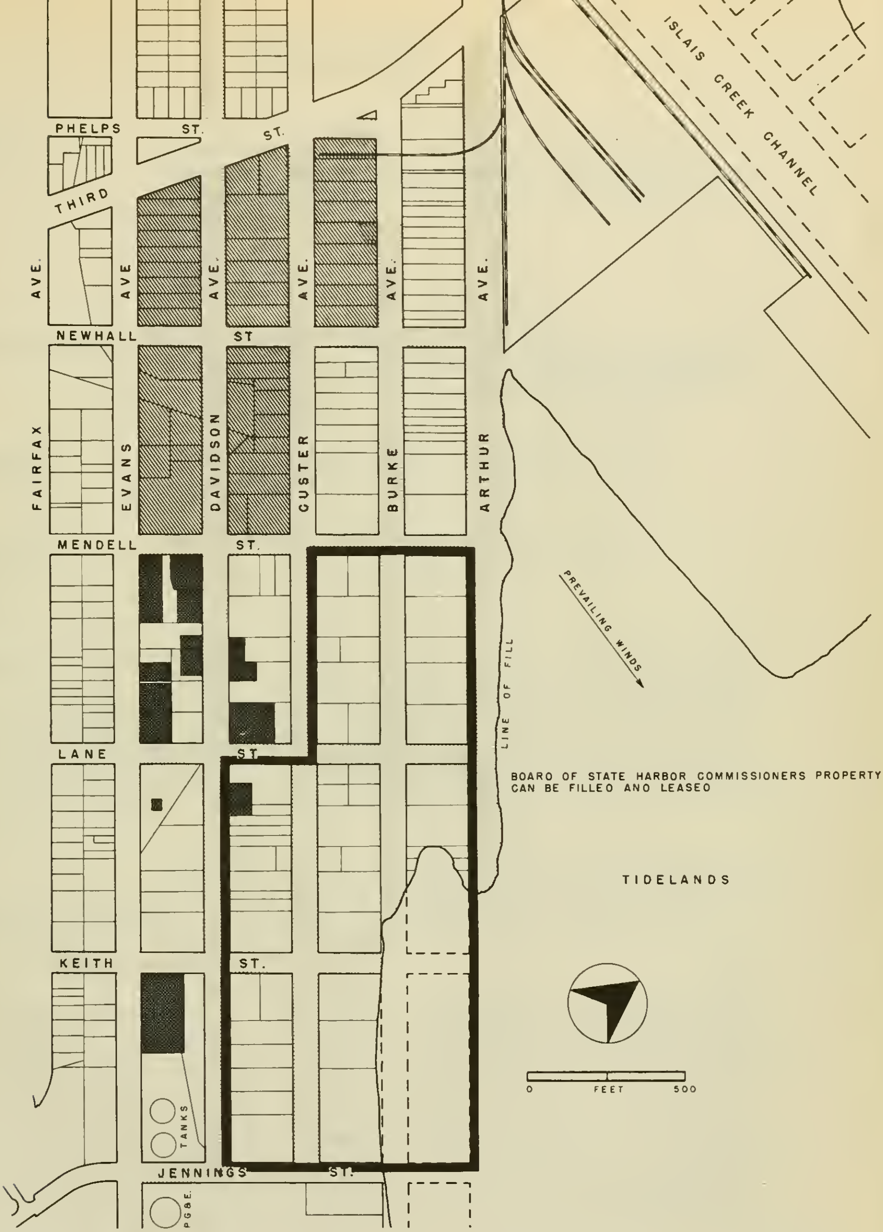


WHOLESALE PRODUCE MARKET STUDY

ARTHUR AVENUE SITE

INDUSTRIAL BUILDING

UNIMPROVED STREET

STOCKYARD

SITE BOUNDARY

PLATE 9

SOUTH BASIN SITE
(see Plate 10)

Location	Bounded by Bancroft Avenue, Jennings Street, Underwood Avenue, Hawes Street, Van Dyke Avenue, and the railroad to the San Francisco Naval Shipyard.
Size	20.9 acres 28.9 acres including street area
Assessed value	Land $30,460 (temporary war housing not assessed) Per acre, including streets, assuming federally owned land at same assessed value as private land: $3,794.
Ownership	U. S. Government owns 15.1 acres. 8 other owners own 5.8 acres.
Present use	469 units of South Basin war dwellings.
Access	Two blocks to Third Street.

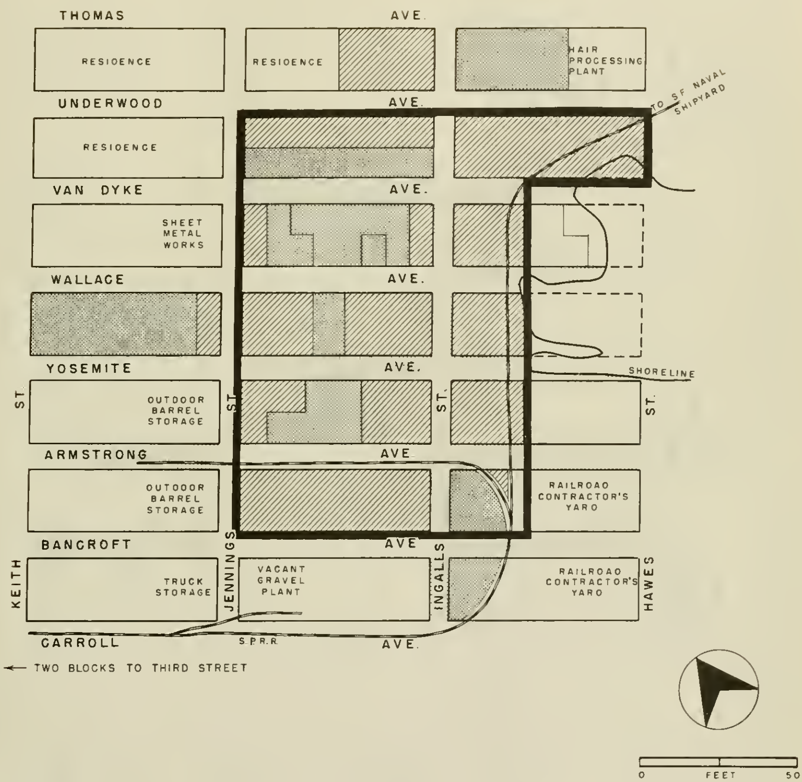
Comments This site is the farthest south of all those considered and hence more remote from the center of the city's population, although buyers from the northern part of the city would have good trafficways connections. However, it would be closer for incoming trucks from the south and for retailers in the southern portion of the city and from the Peninsula. When a southern Bay crossing is built, this market site will be convenient to the East Bay.

Some market traffic may use residential streets to reach this site. However, it should be possible to route most of the 600 vehicles entering and leaving the market daily, mostly in the morning hours, on non-residential streets.

At present, it is not definite when the federal government will dispose of this project. However, if strong interest were evidenced in this site, it would be possible to accelerate its disposition. When the project is finally emptied, the Public Housing Administration can sell the federally owned land (1) to a public agency for a public purpose, at the fair market value set by appraisers, or (2) on a competitive bid basis. Under procedure (1) the city would be able to purchase the land for a produce market if it were determined this were a public purpose. The Redevelopment Agency or a market authority established under state law could also purchase the land.

A private corporation formed to build the new market could purchase under procedure (2). The privately owned land in this temporary housing project, now leased, would have to be purchased from the eight owners no matter how the site is acquired.

The federal government may be asked to reopen or extend the offer it made earlier this year (which the city declined) to relinquish the project to the city. Under this plan the city could have the federally owned land at cost but would have to operate the housing until it was no longer needed.



WHOLESALE PRODUCE MARKET STUDY

SOUTH BASIN SITE

FEDERALLY OWNED

FEDERALLY LEASED

SITE BOUNDARY

UNIMPROVED STREET

PLATE 10

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

COMPARISON OF AVAILABLE SITES

Site	Convenience to Railroads	Convenience to Trafficways	Location Within City	Size—Acres Incl. Streets	Relative Cost	Other Factors
Sixth and Channel	SP access only	Needs overpass	Excellent	29.1	Unknown	All in one ownership
Third and Army	SP, Santa Fe, & WP	Good	Good	31.4	Expensive	Uncertain when temporary housing will be emptied
Islais Creek	SP, Santa Fe, Belt Line	Good	Good	22.7	Expensive	Developing area; early action required
Arthur Avenue	Belt Line	Good	Good	29.3	Low; cost of fill must be added	Newly filled. Receives stock-yard odors
South Basin	SP	Dependent on Third Street	Most southerly site	28.9	Moderate if city acquires site	Uncertain when temporary housing will be emptied

V. METHODS OF RELOCATING THE MARKET

Discussed in this section are two phases of market relocation: the type of organization to build the market, and means of acquiring a site. In Appendices II and III will be found brief discussions of ways in which new produce markets were organized and constructed in other cities and market authority enabling legislation adopted in other states.

Type of Organization to Build the Market

Proper organization is important in doing any job. It is especially necessary for a big undertaking such as building a new produce market. One organization must take the initiative for selecting a site, securing the financing, seeing that all produce dealers are united in the move, and managing the new market. It will be the primary responsibility of the produce dealers themselves to decide on the type of organization and to proceed with it. If they do not take action, however, the city or the state should.

A new market can be built privately, with financing privately obtained, or by a market authority, with powers to use eminent domain and issue revenue bonds. The latter method would require special legislation. Another possibility is that the city, state or other governmental body might build the market.

1. Private Corporation

There are two kinds of private corporation which could build the market: a private corporation for profit, and a private non-profit or limited dividend corporation.

A group of investors might form a corporation to build the market for lease to the produce men, but with an ordinary unregulated corporation for profit there would be no assurance of a united move to the new market or of management and rentals satisfactory to the dealers.

A non-profit corporation owned by the produce merchants would pass savings on to the tenants of the market.

The 1943 report of the Department of Agriculture, in considering the question, "By whom should the new market be financed and controlled?" puts forth the reasons for some degree of regulation over a private corporation operating a produce market:

> A market of the type that is needed in San Francisco will be almost a monopoly so far as

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facilities go. That is, if the market is successful, dealers and buyers will be obliged to use the facility whether or not they wish to do so. There are several logical consequences. When the market is once established as a going concern, it will be a safe financial investment --the income will be steady and dependable. It becomes important that the ownership be prevented from exploiting the industry in a way that a private monopoly would be in a position to do. That is, certain safeguards should be thrown around it, for the market performs a public service.

...there should be some definite provision to insure that the owners of the facilities will not exact exorbitant rentals, will not impose arbitrary and undesirable regulations, and that they will keep the facilities in good repair.... The market is broadly affected with public interest in a way somewhat similar to grain elevators, public warehouses, stockyards, or even electric power companies.

The report goes on to suggest that one way of providing regulation would be to have the market declared a public utility (the market facilities only, not the actual operations of buying and selling produce), something which has not been tried before with produce markets--and which has not always been satisfactory in the case of other public utilities.

2. Market Authority

A market authority is a public non-profit corporation. Enabling legislation would have to be enacted by the state to provide for such a special authority. A number of states have already enacted such legislation, and markets built under these laws are operating today. (See Appendix III.)

The advantages of this method are that the market authority is responsible for initiating and organizing the move, for planning, financing, building and managing the new market. Such an agency is usually given the power of eminent domain so that a few property owners at the new site cannot block the project.

The time involved in getting market authority legislation might delay the project, although in the long run the power of eminent domain may save time. If this method is decided upon, a start could be made at once on drafting legislation, getting agreement among the groups most affected, and familiarizing legislators from the agricultural counties and from San Francisco and other California cities with its purposes.

3. City

The city itself could build the market as it built the Farmers' Market, for which there was special legislation. Possibly the state or another agency of government could build the market. If the market is built by a public body, it would be a matter of policy determination whether it should be built directly under an existing political subdivision or by a special purpose authority as outlined above.

Means of Acquiring a Site

Reasonable cost of the site is one of the requirements for a new market. San Francisco's vacant industrial land is disappearing rapidly, and the more scarce it becomes, the higher priced it is likely to be. Various methods of obtaining a site at reasonable cost should be carefully explored.

1. Eminent Domain

A private corporation seeking to build a new market might have difficulty in assembling any site which is in diverse ownership. The use of eminent domain, by a market authority, the Redevelopment Agency, or the city itself would avoid this difficulty. For the city to use eminent domain to acquire a site, however, special legislation would probably be required. Whether or not the city could sell or lease land so acquired to a private corporation is a legal question. The power of eminent domain is based on subsequent use of the land for a public purpose.

2. Lease of Tidelands

The Board of State Harbor Commissioners can lease tidelands to a developer for a facility such as a produce market. A site large enough for a market would be available on tidelands north of Arthur Avenue. These lands would have to be filled. The Board will lease for 25 years, after which leases are renewable but improvements revert to the Board.

3. Acquisition of a Temporary War Housing Site

Until June 30, 1953, the federal government was offering to give temporary war housing projects to the city. The city would have had to pay only the government's original acquisition costs and certain other costs, take over the leases with private owners, and continue operation of the projects until there was no longer a need for the housing. Under the government's offer, the city could have acquired only those projects it wanted.

The city did not accept this offer, but it may be extended. If a site now occupied by temporary war housing were selected for the new produce market, the Board of Supervisors could take steps

towards acquisition of the site. When the housing is discontinued, the city could sell or lease the publicly owned land to the group building the produce market. Acquisition of any privately held land would be by negotiation between the group building the market and the owners.

If not taken over by the city, when a temporary war housing project is finally emptied the Public Housing Administration will sell the federally owned land either to a public agency for a public purpose at the fair market value set by appraisers, or else to whoever wants to buy it on a competitive bid basis. Privately owned parcels under lease would, of course, revert to the owners.

4. Redevelopment

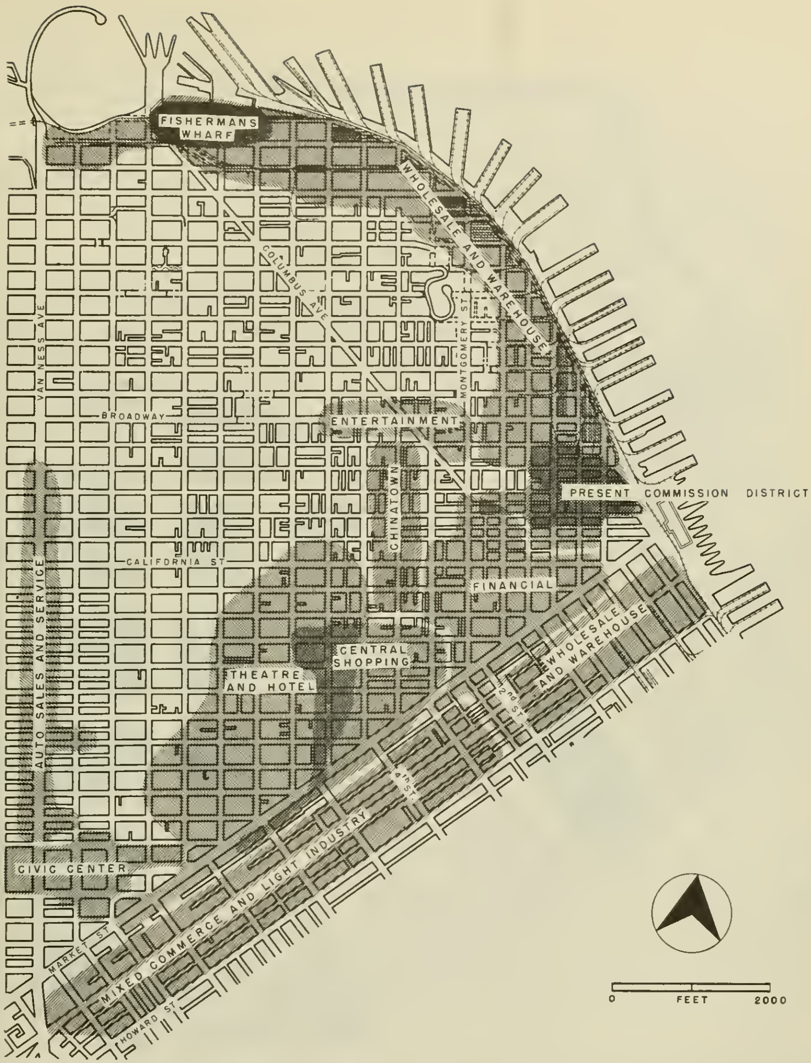
San Francisco has a Redevelopment Agency, established under the California Community Redevelopment Law, which has the power to acquire blighted residential, commercial or industrial land and buildings, clear and replan the blighted area, and resell the land at the fair market value for rebuilding in accordance with the plan. The Agency has residential projects under way in the Western Addition and in Diamond Heights, and the South of Market area has been designated for light industrial redevelopment.

The Redevelopment Agency can use the power of eminent domain to assemble a site. The Agency sells or may lease the site to the developer once it has been acquired and cleared. Federal financial assistance is available only when residential blighted areas are cleared, or when a blighted area is rebuilt with residence. If no residence is involved, money to acquire the site must come from the city or from bonds issued by the Agency.

Some of the conditions of blight which may apply to several of the sites discussed in this report are:

Mixed character (Sec. 33041e, California Community Redevelopment Law).
Economic deterioration or disuse (Sec. 33042a).
Depreciated values, impaired investments--capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered (Sec. 33043).
A growing or total lack of proper utilization of areas (Sec. 33044a).
Temporary government-owned wartime housing projects may also be included as blighted areas (Sec. 33048).

The disadvantage of using redevelopment is that the process is new and the many procedural steps required by the law are time consuming. No redevelopment without federal aid has yet been undertaken in San Francisco.



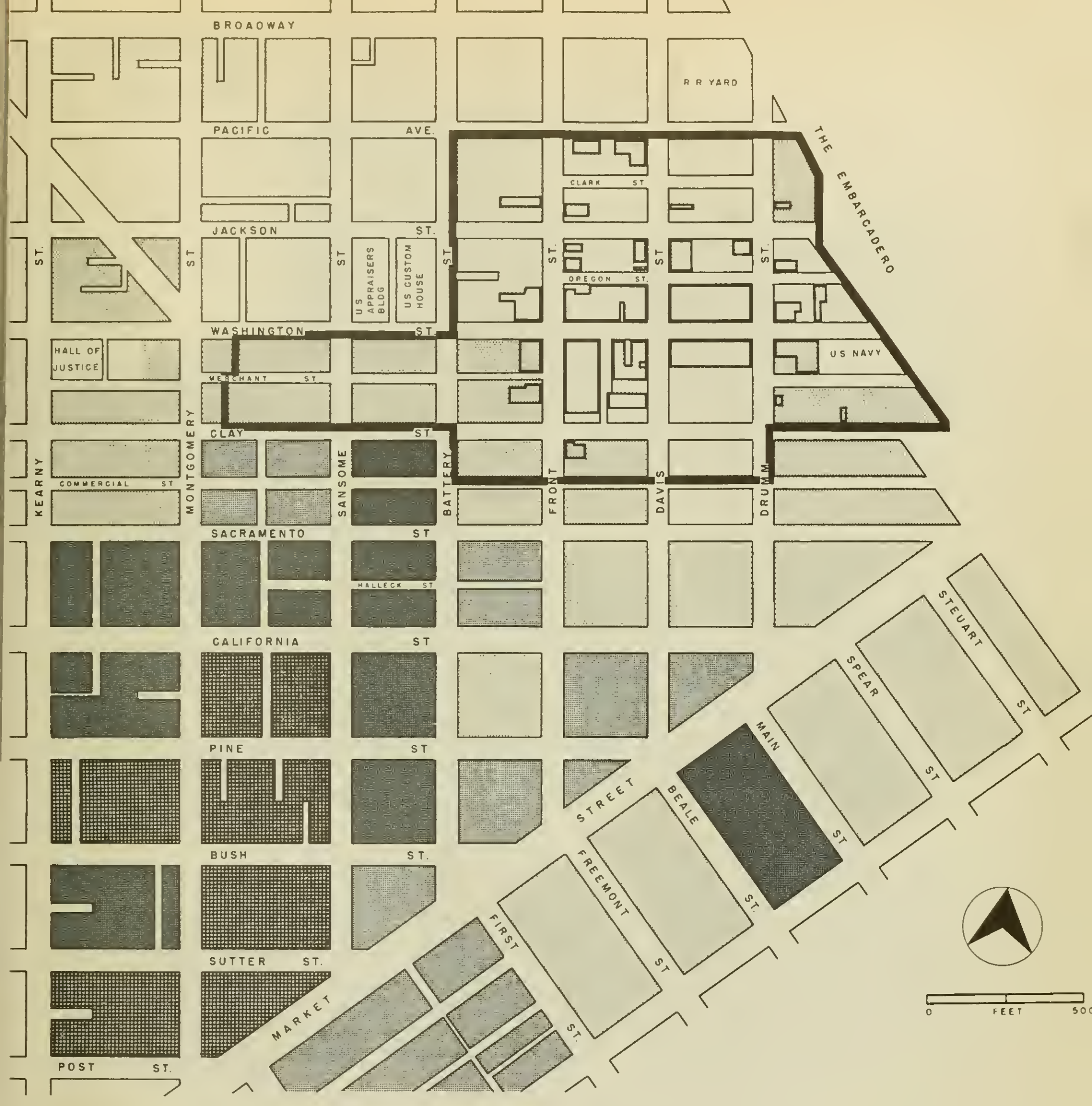
WHOLESALE PRODUCE MARKET STUDY

MAJOR DOWNTOWN AREAS

EXTENT OF AREA

PLATE 11

SAN FRANCISCO DEPARTMENT OF CITY PLANNING



WHOLESALE PRODUCE MARKET STUDY

MARKET AND ADJACENT AREA ASSESSMENTS

AVERAGE BY BLOCK - LAND AND BUILDINGS

UNDER $4 PER SQUARE FOOT

$4 - $10 PER SQUARE FOOT

$10 - $25 PER SQUARE FOOT

$25 - $40 PER SQUARE FOOT

$40 & OVER PER SQUARE FOOT

MARKET AREA BOUNDARY

PRODUCE STORES

PLATE 12

SAN FRANCISCO DEPARTMENT OF CITY PLANNING

VI. ALTERNATE USES FOR PRESENT MARKET AREA

This report is concerned mainly with a review of present market conditions, a study of possible sites for a new produce market, and a discussion of the types of organization for building a new market. However, it has become increasingly clear that there is a major problem confronting the realization of this project. This is the assurance to property owners in the present area, some of whom are major operators in the produce industry, that when the market is vacated their property can be put to uses which will provide a financial return comparable to that which they are currently realizing on their investment. Thus the problem is not just where and how to build a new produce market but also what will happen to the present commission district.

Downtown Area Needs Study

The San Francisco Chamber of Commerce, which has taken a strong interest in a new produce market for a number of years, has requested that a second study, of the highest and best possible uses for the present commission district, be undertaken upon the completion of this report.

San Francisco needs space of all kinds, and it is believed that there will be little difficulty in attracting new tenants for the area to be made available by the removal of the present produce market. The problem will be to encourage the right kind of new development.

The existing commission district is adjacent to the financial district with its high value properties and intense concentration of activities within a small area. The map entitled "Major Downtown Areas" following page 24 shows the location of the commission district in relation to the financial district. Despite their proximity, property values drop sharply at the border line between the financial district and the commission district, as illustrated on the map showing assessments, following page 24. The total assessment, land and buildings, for all lots with produce stores is $1,068,940.

The commission district is related geographically to the financial district, the import-export area along lower California Street, the waterfront, the warehouse district stretching north along The Embarcadero below Telegraph Hill, and the area around the Custom House and the Hall of Justice.

The future of all of these areas will affect the future of the area now occupied by the commission district. Many factors must be considered and related, for example: the proposed Embarcadero Freeway; the construction of the World Trade Center in the

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Ferry Building; the need for off-street parking near the financial district.

The mixture of present uses in the commission district poses an important problem in connection with any transformation of its character. (See Plate 1 following page 3.) The question is raised as to whether the fish, poultry and meat dealers and some of the other wholesalers now scattered throughout the commission district should be encouraged to move along with the produce dealers to the new market, or to a new area of their own; or whether they should be concentrated in a part of the existing district where they would not conflict with or detract from new development. A survey of the needs and desires of these other businesses in the commission district should be a part of future studies.

As an expansion or extension of the existing downtown area, several possible future uses, or combinations of them, have been mentioned for the present wholesale produce market area:

1. Expansion of Financial District

Rapid population growth in the Bay Area, postwar expansion of industrial activity, and in general the expanding economy during these prosperous years have contributed to the demand for new or additional office space. According to "Office Building Occupancy Trends," an article in the Bay Area Real Estate Report for the first quarter, 1953, there is 98% occupancy of San Francisco office buildings.

Business seeking new offices in San Francisco generally want a location within or near the financial district, but certain kinds, such as insurance offices, do not need to be in the heart of the financial district.

2. Light Industrial and Warehouse Uses

Light industries, requiring a relatively small floor area to produce high-value finished goods or parts, need more space in San Francisco. In the absence of a concerted effort to develop other uses, the present produce market area would probably be used for light industries and warehouses. The area is presently zoned for light industry. In the proposed new zoning ordinance, most of the area would be zoned as general commercial for large wholesale concerns, light manufacturing and warehouses.

The Embarcadero Freeway with ramps at Broadway and later at Clay Street will make the area more accessible for trucks.

3. World Trade Center Expansion

The part of the commission district nearest the Ferry Building is extremely unattractive and not in keeping with the large investment being made for the World Trade Center. It would be desirable to reserve this area for eventual expansion of the World Trade Center or for uses related to it.

4. Convention Center

Since convention facilities are such an important asset to a city, one suggestion has been that the present produce market area could be entirely rebuilt to provide a large-scale, up-to-date convention center. The area has certain advantages for this purpose--it is close to a large number of restaurants and to Chinatown. A thorough study should be made of the need, size and proper location for a convention center.

5. Residential Use

Apartments could be provided here within walking distance of the financial district, and would have views of the waterfront and the Bay. The area has an excellent climate. Residential rebuilding would make the area eligible for federal redevelopment aid. However, residential development at this location requires careful study.

6. Parking

Whatever new uses develop in the area, this is a good opportunity to provide parking along with them.

The 1948 report to the City Planning Commission by De Leuw, Cather & Company, consulting engineers, and Ladislas Segoe and Associates, consulting city planners, on A Transportation Plan for San Francisco, recommends parking garages in the blocks between Drumm and Battery and between Sacramento and Clay to serve the financial district. A parking strip below the proposed Embarcadero Freeway ramps along Clay Street, with direct ramp connections from the freeway, would make the area convenient for automobile users from all parts of the Bay Area. Parking facilities will also be needed near the Ferry Building for the World Trade Center.

Rebuilding the Present Market Site

In order to make available an area of sufficient size so that new character can be given to the present commission district, it would be necessary to assemble the present properties which are in many ownerships. In the commission district as outlined on the map following page 3, there are approximately 184 separate parcels. There are 52 parcels in the commission district on which produce stores are located, with 77 different individuals (in 37 groups) listed on the Assessor's roll as owners of these parcels.

The powers contained in the California Community Redevelopment Law can overcome the problems of making a built-up site of diverse ownerships available as one area cleared of old structures. The present produce market along with parts of the surrounding area might well qualify as a blighted area eligible for redevelopment under this law.

The redevelopment process was described in the preceding chapter in connection with making a site available for a new market. Redevelopment as a process has generally been thought of in terms of slum clearance, and federal funds are available only for projects involving the removal of residential slums or the provision of new residential areas. The postwar need for housing has emphasized this function of redevelopment.

However, the redevelopment process can be used to do much more than rebuild blighted residential areas. It can become a means for reorganizing and rebuilding the city's commercial and industrial areas as well. Redevelopment projects can be financed by the city when federal aid is not available.

By using redevelopment to rebuild the present produce market area, streets could be closed or widened. Potential investors would know that there was a definite plan for the future of the whole area. The Redevelopment Agency and the City Planning Commission, cooperating with the owners, would have the responsibility for preparing the plan. The Redevelopment Agency would have the responsibility of securing developers who would build according to the new plan.

Without official redevelopment, new uses in the commission district might develop haphazardly. A general plan for the future of the area can be developed with the cooperation of the Department of City Planning and the private interests involved, but it would be necessary for some group to take the initiative in encouraging the conformance of improvements to such a plan.

The merits of such a plan, based on economic realities, would have to be demonstrated to the business community and to the property owners and have their united support. It would be the function of a public-spirited group such as the Chamber of Commerce, or perhaps a special committee of businessmen concerned with the future of San Francisco, to interest investors. The owners particularly should be-

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come familiar with the potentialities of their property for a higher economic use, potentialities which can best be realized as a part of a well-considered plan for the entire downtown area and for the commission district as a part of it.

A few enterprising owners and businessmen in the commission district could take the responsibility of forming an association to further their own understanding of the problems involved, informing the rest of the owners and getting together for discussion of the possibilities involved in promoting higher economic uses of the area. Such an association could represent the owners in carrying out a general plan, over a period of years, for improving the area. The Chamber of Commerce might call the first meeting of a few leading individuals to organize such an association.

Next Steps

An analysis of the downtown area, a detailed study of the best future uses in the commission district, and a general plan for the future development of the downtown area with particular emphasis on the commission district, by the City Planning Commission; citizen-owner-merchant action to form a group to help make, publicize, and carry out such a plan; and a decision, ultimately, by the Board of Supervisors, on whether or not redevelopment should be used--these jobs must be begun now.

The produce merchants should organize now, select a site, and plan to build their new market. Acting with reasonable speed, it will still take several years before they can actually move to the new market. In the meantime, the future of the present wholesale produce market area and the surrounding area can be more definitely determined.

A P P E N D I C E S

I Unloads of Fresh Fruits and Vegetables at San Francisco

II New Produce Markets in Other Cities

III Summary of Market Authority Legislation

APPENDIX I

UNLOADS OF FRESH FRUITS AND VEGETABLES AT SAN FRANCISCO
By Type of Carrier, 1931-1952 (see Plate 2 following page 6)

	Truck				Rail		Boat		Total	
	Wholesale Market		Farmers' Market							
Year	Carload equiva-lents	%	Carload equiva-lents	%	Carload equiva-lents	%	Carload equiva-lents	%	Carload equiva-lents	%
1931	11,016	43.5	-	-	9,468	37.4	4,832	19.1	25,316	100.0
1932	12,376	49.2	-	-	8,414	33.5	4,357	17.3	25,147	100.0
1933	12,725	54.7	-	-	6,395	27.5	4,142	17.8	23,262	100.0
1934	14,203	59.0	-	-	6,360	26.4	3,524	14.6	24,087	100.0
1935	14,043	57.0	-	-	6,788	27.5	3,808	15.5	24,639	100.0
1936	14,198	56.3	-	-	7,924	31.4	3,105	12.3	25,227	100.0
1937	14,074	59.1	-	-	6,924	29.0	2,832	11.9	23,830	100.0
1938	15,285	64.5	-	-	6,128	25.8	2,308	9.7	23,721	100.0
1939	17,578	70.4	-	-	5,293	21.2	2,075	8.4	24,946	100.0
1940	17,562	70.6	-	-	4,943	19.9	2,366	9.5	24,872	100.0
1941	17,256	69.2	-	-	5,718	22.9	1,970	7.9	24,944	100.0
1942	16,536	66.5	-	-	8,246	33.2	71	.3	24,853	100.0
1943	15,681	66.7	587	2.5	7,189	30.6	37	.2	23,494	100.0
1944	14,834	61.7	997	4.2	8,191	34.0	19	.1	24,041	100.0
1945	15,605	65.9	608	2.6	7,440	31.4	15	.1	23,668	100.0
1946	16,077	67.5	493	2.1	7,186	30.2	53	.2	23,817	100.0
1947	15,933	70.0	736	3.3	6,071	26.6	31	.1	22,774	100.0
1948	15,768	70.4	799	3.6	5,334	23.8	489	2.2	22,390	100.0
1949	15,603	72.6	774	3.6	4,867	22.6	268	1.2	21,514	100.0
1950	16,977	76.7	721	3.3	3,639	16.4	787	3.6	22,127	100.0
1951	17,684	77.8	621	2.7	3,605	15.9	813	3.6	22,724	100.0
1952	17,525	78.8	601	2.7	2,850	12.8	1,276	5.7	22,253	100.0

Source: Federal State Market News Service, Annual Unload Summaries.
Note: These figures include produce distributed through chain store warehouses.

APPENDIX II

NEW PRODUCE MARKETS IN OTHER CITIES

Throughout the country, wholesale produce markets have much the same problems as the present San Francisco market. In the older cities, the market may have been at the same location for a hundred years or more. The Dock Street market in Philadelphia was built when Dock Street was on the riverfront; Fanueil Hall market in Boston was established in 1742; the New York market has been located on the Hudson waterfront for over a hundred years. Baltimore has two markets over 175 years old.

In the early days, the market was established close to the main business district and close to incoming transportation, but now, as long as it is conveniently located to users, it should not remain in the congested district. With the growth of cities, the development of fast motor truck transportation, and the greater popularity of fresh fruits and vegetables as a part of the American diet, the old markets have become progressively inadequate.

The obstacles to moving have been much the same throughout the country. All dealers must move at once for a move to be effective. Owners of properties on which the stores are located have often opposed the move, since they have been receiving good returns on old buildings. As long as all of the produce dealers are working under the same disadvantages with regard to rents, facilities, and space, they are lethargic about such a big task as rebuilding a market on a new site. Occasionally only a part of a market has moved, resulting in a split market. Sometimes a railroad has built market facilities which have attracted some, but not all, of the dealers. A split market is unsatisfactory; because of the nature of marketing practices, the entire supply of produce for the day should be available for inspection within one area by the buyers.

The need for more efficient markets, however, has been recognized throughout the country. Under the Agricultural Marketing Act of 1946, the Marketing and Facilities Research Branch of the Production and Marketing Administration, U. S. Department of Agriculture, develops plans for and promotes the construction of proper marketing facilities, when requested. In 1952 the Branch gave assistance of this kind to 25 cities or areas. However, not all of the markets which have been planned have been built.

At least eight states have market authority laws: New York, Wisconsin, South Carolina, North Carolina, Virginia, Connecticut, Massachusetts, and Mississippi. A summary of the most important provisions in these laws is included as Appendix III.

It is interesting that in many cities where a market has finally been relocated after years of discussion, it has been because a freeway or a bridge or another improvement pushed it out. In the

other cases, however, where the market has moved voluntarily, the city has not had trouble in making use of the abandoned site, since it is usually close to the central business district.

New markets have been built by market authorities in some cities, in others, a corporation of the produce men and others has done the job. In one city, an investor built the market and leased it to a corporation of produce men, truckers, and farmers. In most cases, money has not been lacking to build a market. The factor most often holding up new markets has been reluctance to tackle the job.

The following charts give information on recently built wholesale produce markets and some of the proposed markets. In addition, markets have also been built recently, or are under construction, in the following cities: Jackson, Missippi; Greenville, South Carolina; Savanah and Augusta, Georgia; Indianapolis, Indiana; Rochester, New York; and Nashville, Tennessee. Markets in Atlanta, Georgia and Miami, Florida are being expanded.

RECENTLY BUILT WHOLESALE PRODUCE MARKETS

City 1950 Pop.	Opening Date	Size of Site	Distance - Center of City	Approximate Cost	Built and Operated By	Facilities	Use of Former Market Area
St. Louis 856,796	1953	32 acres	1 mile	Land $2,000,000 Bldgs $1,250,000	Corporation of 74 distributors--St. Louis Produce Market, Inc.	98 store units in two buildings 114' X 1225' - 1-1/2 miles of tracks.	Right-of-way for interstate highway
Dallas 434,462	1943 (1/3 complete)	18 acres		$3,500,000 when complete	City of Dallas	Farmers' sheds, cold storage bldgs, wholesale bldgs. 16 store units	Parking lots and new jobber type developments
San Antonio 408,442	1951	27 acres +7 acres for expansion		$2,500,000	Non-profit corporation of farmers, truckers and produce men.	84 store units, 6 bldgs. Can accommodate 100 RR cars and 600 trucks.	
Hartford, Conn. 177,397	1952	40 acres	4 miles	$1,700,000	Connecticut Marketing Authority. Agency of the state (Advisory Council of market lessees sits with Authority).	2 bldgs - 94' X 630' including platforms. 1 bldg. - 94' X 260' 3 miles of tracks accommodating 75 RR cars.	Super highway and traffic interchange
Columbia, S.C. 86,914	1951	30 acres +20 acres for expansion	2 miles	$940,000 ($300,000 from city, county & state; balance from revenue bonds.)	South Carolina Agricultural Market Commission. Agency of the state.	61 store units in 4 bldgs. Sheds for farmers & truckers. RR spur: room for 400 trucks.	Metered parking

NOTE: All of these produce markets have highway access and railroad connections.

PROPOSED WHOLESALE PRODUCE MARKETS

City Population 1950	Size of Site	Location	Estimated Cost	Agency to Build and Operate	Facilities	Use of Former Market Area
Cleveland 914,808	30 acres (expansion of present terminal).	2 miles from central business district.	$3,000,000 land (area to be made available through redevelopment); $10,000,000 development.	Nickel Plate RR and Affiliates.	Wholesale stores for fruits and vegetables, meat, poultry, eggs; fruit auction, farmers' market; cold stge w'hse; team tracks.	Not to be abandoned
Boston 801,444	198 acres	2 miles south of central business district.	State Market Authority attempts to build $25,000,000 wholesale meat and produce market unsuccessful. Railroad company and trade starting construction on railroad-owned new site.			Part will be used for Central Artery; remainder is under study.
Houston 596,163	37 acres (additional area available for expansion).	About 4 miles from center of city.	$1,500,000 - outside capital to be amortized in 20 years.	Corporation of produce dealers - Houston Produce Terminal, Inc.	108 store units of 2,200 sq. ft. each.	No plans - up to individual owners.
Richmond, Va. 230,310	44.7 acres	3/4 miles from center of city.	$1,000,000	Richmond Market Authority (agency of the state).		Probably other commercial uses.
New Haven 164,443	40 acres	1/2 mile from central business district.	$1,500,000 (redevelopment to make filled land available)	Private		Shopping and parking.

APPENDIX III

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SUMMARY OF MARKET AUTHORITY LEGISLATION

The following states have market authority legislation: North Carolina (1923); New York (1933); Connecticut (1939); Virginia (1940); Missipi (1946); Wisconsin (1947); South Carolina (1948); and Massachusetts (1950). There are markets built and operating under these laws in Hartford, Connecticut; Columbia and Greenville, South Carolina; Jackson, Missipi; one soon to be built in Richmond, Virginia; and one under construction in Rochester, New York.

The main provisions of these laws are similar, as noted:

Basis	Public convenience and necessity; general welfare; public interest; wider and more economical distribution of agricultiral products; terminal markets are public uses; provision of proper facilities for efficient handling of farm and food products in interest of farmer, consumer and general public.
Agency	Agencies established under these laws are bodies corporate and politic. Number of members ranges from 5 to 15. Terms and methods of appointment vary. Appointment is usually by governor of the state; sometimes mayor or agricultural organizations may nominate members. Most laws specify occupations of agency members, wholesalers and producers being the most prevalent.
Powers	To acquire, hold, mortgage, lease and dispose of real and personal property. To acquire, by purchase or otherwise, or by eminent domain, such private lands as are necessary. (Only one state law, South Carolina, makes no mention of eminent domain.) To make studies, surveys and plans for market. To construct market. To make contracts. To sue and be sued. To employ personnel.

To operate and maintain market; to rent space and fix rents and fees. (It is usually specified here that rents shall be sufficient to cover costs and no more--the market authority is a non-profit organization, and savings shall be passed on to tenants and users.)

To make regulations governing market.

To receive contributions.

To have perpetual existence.

To do all acts and things necessary or convenient to carry out the powers expressly granted.

<u>Financing</u>

Agency authorized to issue general obligation, revenue or refunding bonds.

Maximum terms and interest rate of bonds is specified.

Bonds not an obligation of the state or city. (In Connecticut the bonds are an obligation of the state.)

Bonds are usually free of state taxes.

Bonds are legal investments for fiduciaries.

Provision for initial financing from state or local appropriations and repayment.

Recourse of bondholders is outlined in case of default.

Real and personal property of agency may or may not be exempted from taxation.

<u>Note:</u> North Carolina can also finance markets through local appropriation, and Mississippi financing is by appropriation of state legislature.

<u>Areas laws apply to</u>

Massachusetts: Boston area only.

New York: Three regional authorities are provided for; additional laws are passed for other regions as required.

Wisconsin: Milwaukee only.

Virginia: Any city over 30,000 population.

Connecticut: Statewide.

South Carolina: Various communities of the state.

Mississippi: Statewide.

North Carolina: Any city or town over 5,000 population.

Some of these state laws provide that the market authority may not build a market in competition with any other market built by it.

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